

**STATE WATER RESOURCES CONTROL BOARD MEETING  
BOARD MEETING SESSION - DIVISION OF ADMINISTRATIVE SERVICES  
JULY 21, 2020**

**ITEM 5**

**SUBJECT**

CONSIDERATION OF A RESOLUTION ADOPTING EMERGENCY REGULATIONS TO AMEND THE ENVIRONMENTAL LABORATORY ACCREDITATION PROGRAM (ELAP) FEE SCHEDULES IN TITLE 22, CALIFORNIA CODE OF REGULATIONS BY ADDING SECTION 64802.25.

**DISCUSSION**

Senate Bill 839 (2016) (Resources Trailer Bill) amended Health and Safety Code (HSC) section 100829 and requires the State Water Resources Control Board (State Water Board) to adopt a schedule of fees to recover costs incurred for the accreditation of environmental laboratories. HSC section 100829 requires the State Water Board to set the amount of total revenue collected each year through the fee schedule at an amount equal to the amount appropriated by the Legislature in the annual Budget Act from the Environmental Laboratory Improvement Fund (ELIF) for expenditure, taking into account the reserves in the ELIF. The State Water Board is required to review and revise the fees each fiscal year as necessary to conform to the amounts appropriated by the Legislature. HSC section 100829 further states the State Water Board shall adopt the schedule of fees by emergency regulation not subject to review by the Office of Administrative Law.

ELAP fees are used for the following: operating expenses, including employee wage rates and fringe benefits; purchasing or leasing supplies, equipment, or materials; and meeting financial reserve needs and requirements.

**PROPOSED CHANGES**

On May 5, 2020, the State Water Resources Control Board adopted a resolution proposing changes to the ELAP. The changes necessitate a change in the current ELAP fee structure. The proposed emergency regulations adopt a new fee structure aligning with the new ELAP regulations.

Currently, laboratories pay an annual base fee and a fee for each Field of Testing. Under the proposed emergency regulations, the new fee structure would be comprised of an annual base, per Field-of-Accreditation, and reciprocity fees, a biennial assessment fee, and amendment and late fees.

**POLICY ISSUE**

Should the State Water Board approve a resolution to adopt amendments to laboratory accreditation fee regulations as proposed by staff?

## **FISCAL IMPACT**

The FY 2020-21 Budget Act includes expenditure authority for the ELIF of approximately \$4 million. The proposed fee schedule changes will ensure the projected revenue for the ELIF, when added to the projected fund balance from FY 2019-20, meets the FY 2020-21 budget expenditure authority and maintains a prudent fund reserve of approximately 5 percent.

## **REGIONAL BOARD IMPACT**

No.

## **STAFF RECOMMENDATION**

Staff recommends the State Water Board approve the resolution to adopt regulations to change the current ELAP fee schedules as proposed by staff.